

Subject: Summary of the 2nd meeting of the AASB S2 Implementation Advisory Panel (IAP)

Meeting date: 11 September 2025

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This paper has been prepared to summarise a meeting of the AASB S2 Implementation Advisory Panel. It does not purport to represent the views of any individual member of the Australian Accounting Standards Board or staff. Comments on the application of Australian Sustainability Reporting Standards do not purport to set out acceptable or unacceptable application of Australian Sustainability Reporting Standards.

Recap on the role of the AASB S2 Implementation Advisory Panel (IAP)

The IAP aims to support the implementation of AASB S2 *Climate-related Disclosures* and is a forum for:

- (a) Australian stakeholders to submit implementation questions related to Australian-specific issues in implementing AASB S2;
- (b) identifying information that enables the AASB to determine what action (if any) may be needed to address Australian-specific issues in implementing AASB S2; and
- (c) hearing from a range of Australian stakeholders to inform the AASB on matters being considered by the ISSB's Transition Implementation Group on IFRS S1 and IFRS S2 (ISSB TIG) that are relevant to AASB S2 (including Appendix D of AASB S2).

Summary of the IAP meeting held on 11 September

The IAP held its second meeting virtually on 11 September 2025.

IAP members engaged in a discussion on three topics:

- (a) the first submission received, which gives rise to opportunities for guidance or similar educative approaches;
- (b) IAP views on the ISSB Exposure Draft – *Proposed amendments to the SASB Standards* (SASB EDs); and
- (c) general implementation discussion.

Key discussion points included:

- (a) agreement that the submission analysed by AASB staff did not meet the formal criteria to be discussed as a AASB S2 implementation issue by the IAP;
- (b) a desire to proactively guide and make resources available in the general area related to the submission that caters to different audiences; and
- (c) re-emphasising the objectives of climate-related financial disclosures in guidance materials and communications about them.

First submission to IAP

The IAP received its first submission. This submission was assessed by AASB staff as not meeting the criteria to be considered as a formal implementation issue, as it did not satisfy the first criterion, available [here](#).

While the submission did not meet the formal criteria to be considered as an implementation issue by the IAP, staff considered that it is indicative of the broader types of application questions that entities and advisors are facing regarding the application of judgement when applying specific disclosure requirements in AASB S2.



In this context, staff formed the view that it may generally be considered helpful to provide an educative response on how AASB S2—including its Appendices, the Basis for Conclusions on AASB S2 and IFRS S2, and the Accompanying Guidance can be used to inform an understanding of specific disclosure requirements and to assist with application.¹ Any response would aim to support preparers in navigating the Standard, while not contradicting or changing the requirements in the Standard.

IAP members emphasised the need to ensure that any response provided can cater to multiple audiences in terms of different roles and levels of sophistication, including longer and shorter form material.

There was a strong consensus among IAP members that the IAP and AASB should be as helpful and responsive as possible to the Australian market within their respective roles while remaining conscious of the importance of international alignment, including the role of the ISSB TIG.

Staff will consider potential educative responses to the query in light of IAP member feedback provided at the meeting.

Appendix A contains a submissions log compiled by AASB staff.

IAP views on the SASB EDs

IAP members provided high-level feedback relating to the ISSB's [Proposed amendments to the SASB Standards](#) and [Proposed amendments to the Industry-based Guidance on Implementing IFRS S2](#) (collectively referred to as the SASB EDs).

AASB S2 departs from IFRS S2 by not requiring an entity to disclose industry-based information, or refer to or consider the SASB Standards.

The AASB has signalled its intention to finalise requirements for climate-related industry-based information by 2030, in line with Treasury's policy position statement [Mandatory Climate-related Financial Disclosures](#).² Any future requirements within AASB S2 related to climate-related industry-based information may be based on the SASB Standards, although this will be subject to further consultation. As such, staff are actively monitoring and engaging in the ISSB's current project on *Enhancing the SASB Standards* and plan to submit a comment letter to the ISSB to ensure that the perspectives of Australian stakeholders are considered through this process.

IAP members observed that they are aware of some use of the SASB Standards in the Australian context to disclose sustainability-related industry-based information, particularly among multinational corporations. The SASB Standards are often also used for due diligence and underlying benchmarking against peers regarding sustainability matters.

Capacity and resources were noted as a challenge for the use of the SASB standards, and engagement with the SASB EDs, given the current focus of preparers on implementing AASB S2.

General implementation discussion

A broader discussion was held on any other implementation issues that IAP members were aware of.

1 See for example the ISSB TIG paper AP1 from March 2024 [here](#). This example shows the process of the ISSB TIG working through the various aspects of IFRS S2 and related materials to help inform an understanding of specific disclosure requirements to assist with application.

2 Treasury's policy position for climate-related industry-based metrics is that "entities should only be required to disclose against well-established and understood industry-based metrics from 1 July 2030 onwards. Entities may choose to disclose relevant industry-based metrics voluntarily prior to that date."



The discussion highlighted several common areas of implementation challenges face by and known to IAP members, with respect to quantification of financial effects, scenario analysis and scope 3 GHG disclosures. It was also observed that preparers were interested in benchmarking their disclosures with other similar entities domestically and globally. It was also noted that some entities are focusing on a closer review of existing voluntary sustainability disclosures, given the interplay with assurance and the presence of mandatory climate reporting.

Future meetings

The IAP will meet periodically to discuss questions arising from implementing AASB S2 that meet the submission criteria. Any stakeholder can submit a question.

Details on the IAP submission criteria and the question submission form are available on the [AASB website](#).



Appendix A: AASB S2 Implementation Advisory Panel

Submissions log compiled by AASB staff

Last updated for submissions received by 1 August 2025

Sub #	Topic	Stakeholder question	IAP meeting	Current status
1	Emission factors	How are preparers and auditors to judge which emission factors 'best represent the entity's activity as a basis for measuring its greenhouse gas emissions'?	Sept. 2025	<p>This question is outside the remit of the IAP as it does not meet the IAP criteria. It was, however, discussed at the 11 September 2025 IAP meeting, as staff considered that it is indicative of the broader types of application questions that entities and advisors are facing regarding the application of judgement when applying specific disclosure requirements in AASB S2.</p> <p>Additional resources, designed to assist in preparing climate-related financial disclosures using AASB S2, are available on the AASB Knowledge Hub. This includes a link to publicly available 2025 National Greenhouse Accounts Factors here.</p> <p>AASB staff are investigating potential educative responses to the query in light of the IAP member feedback provided at the meeting. This is focused on material to assist preparers in understanding how to apply the standard and related material. An example of the ISSB TIG working through the various aspects of IFRS S2 and related materials is paper AP1 from March 2024 here.</p>